Shortage of drilling rigs

3604. SHRI B.K. HARIPRASAD: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Directorate General of Hydrocarbons has proposed setting up of a common pool for sharing upstream infrastructure among the majors like ONGC, RIL, GSPC, ENI, Cairn, etc. in view of the acute shortage of drilling rigs;

(b) whether ONGC has the largest fleet of 29 rigs at its disposal;

(c) if so, whether ONGC has any idle rig capacity to spare;

(d) whether rentals for deep sea rigs have risen to an average of more than US Dollars 2,25,000 per day; and

(e) if so, to what extent this situation is likely to affect the deep sea explorations on Indian offshore currently underway?

THE MINISTER OF STAE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Yes, Sir.

(b) and (c) ONGC is owning total 79 rigs currently. However, there is no idle rig capacity to spare with ONGC.

(d) and (e) The rig rates have gone up in recent time. Hence, the cost of drilling has become higher than estimated by operators worldwide.

Trend of international crude price

3605. SHRIMATI JAYA BACHCHAN:
SHRI S.S. AHLUWALIA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that price of bulk crude oil in the international market has been witnessing a downward trend over the last several months;

(b) the details of the price trend, following the peak of above USD 70 per barrel reached earlier, both in absolute and in percentage terms indicating their revision at each stage during the period;

(c) whether the trend has enabled the oil corporations to enhance their profit earnings;

(d) if so, the details thereof as on 31st March, 2007; and

(e) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) In comparison to the peak price of $75.20/barrel on 8/8/06, the international prices of crude oil and petroleum products softened a bit from September '06 onwards. However, the prices in the international markets have started firming up once again since March, 2007. Currently, the price of Indian Basket of crude is around $65 per barrel.

In view of the softening of global oil prices and to control inflation, the prices of petrol and diesel were reduced on 30.11.2006. It was again reduced on 16.2.2007. The reduction was Rs. 2/- per litre and Re. 1/- per litre for petrol and diesel respectively on each occasion (Delhi price). The price of PDS Kerosene has not been revised since March, 2002 and the price of Domestic LPG was last revised in November, 2004. The monthly trends of crude oil (Indian Basket) prices in the international market from August, 2006 are furnished in Statement-I (*See* below).

(c) to (e) The details of profit after tax of PSU Oil marketing Companies namely IOC, HPC, BPC and IBP for the financial year 2005-06 and 2006-07 (Apr.—Dec. '06) are given in the Statement-II (*See* below).

Statement-I

Trend in International Crude Oil Prices

Period	Monthly Average Crude Oil* (Indian Basket) ($/bbl)	Change in prices over previous month ($/bbl)	Percentage change over previous month
August '06	70.84		
Sept.'06	61.04	-9.80	-14
Oct.'06	57.27	-3.77	-6
Nov.'06	57.80	0.53	1
Dec.'06	60.35	2.55	4
Jan.'07	52.53	-7.82	-13
Feb.'07	56.53	4.00	8
Mar.'07	60.26	3.73	7
April.'07	65.52	5.26	9
Average Aug.'06 to Apr.'07	60.24		

* The composition of Indian Basket of Crude represents average of Oman & Dubai for sour grades and Brent (Dated) for sweet grade in the ratio of 59.8:40.2.

Statement-II

Profit after tax of PSU Oil Marketing Companies

(Rs. crore)

Profit after tax for PSU Oil Companies	2006-07 (Apr.-Dec.'06) (Unaudited)	2005-06
IOC	5889.80	4915.12
HPC	1021.63	405.63
BPC	1135.50	291.60
IBP	106.98	12.44

Iran's preference for India's private sector

†3606. SHRI RAM JETHMALANI:
SHRI RAVI SHANKAR PRASAD:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Iran is reported to be identifying companies in private sector in India through which trade activities related to supply of crude oil and gas can be started;

(b) if so, the details in this regard; and

(c) the reasons for Iran giving priority to the private sector instead of the public sector?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Government is not aware of Iran identifying companies in private sector in India for supply of crude oil and gas through them. As per the extant EXIM Policy, private refineries are free to source their crude oil requirement directly without any Government restrictions.

(b) and (c) Do not arise.

†Original notice of the question was received in Hindi.